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FISCAL IMPACT STATEMENT

LS 6806

BILL NUMBER: SB 470

NOTE PREPARED: Jan 2, 2015

BILL AMENDED:

SUBJECT: Schools Receiving Choice Scholarships.

FIRST AUTHOR: Sen. Schneider

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a school that is eligible to accept Choice Scholarships may: (1) be accredited by the State Board of Education (State Board) or a national or regional accreditation agency that meets the standards adopted by the State Board; and (2) use a locally adopted assessment program instead of the ISTEP program.

The bill provides that an eligible school that is accredited by a national or regional accreditation agency recognized by the State Board is not required to conduct teacher evaluations in the same manner as public schools.

The bill provides that the Department of Education (DOE) may not require an eligible school that is accredited by a national or regional accreditation agency recognized by the State Board to report any information that is not necessary to determine the school's eligibility to participate in the Choice Scholarship program. It requires the Department to provide proof that the information requested is necessary at the time the information is requested.

Effective Date: July 1, 2015.

Explanation of State Expenditures: The bill could increase the state expenditures for Choice Scholarships if more schools apply to become Choice Scholarship schools. For FY 2014-15, 317 private schools were approved to accept about 29,146 Choice Scholarship students at a cost of about \$122.6 M. The average scholarship was \$4,207 per student. The state could also have decreased tuition support cost to public schools if the number of Choice Scholarships for students currently attending public schools increased. The regular program tuition support per student varies between \$4,518 and \$8,612. The net savings would vary from

about \$481 to \$3,763 per student.

The bill could reduce ISTEP costs if a Choice Scholarship school uses a different test. The savings would probably be minor

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: If the number of students who leave public school to use a Choice Scholarship to attend a nonpublic school increases, public schools could have a decrease in tuition support revenue. The regular program tuition support per student varies between \$4,518 and \$8,612.

State Agencies Affected: DOE.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.